



FH  
[REDACTED]

**STATE OF WISCONSIN  
Division of Hearings and Appeals**

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In the Matter of

[REDACTED]  
[REDACTED]  
[REDACTED]

DECISION

CCO/170911

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**PRELIMINARY RECITALS**

Pursuant to a petition filed December 21, 2015, under Wis. Admin. Code § HA 3.03, to review a decision by the Dane County Department of Human Services ["County"] in regard to Child Care benefits ["CC"], a Hearing was held via telephone from Madison, Wisconsin on June 7, 2016. At petitioner's request Hearings scheduled for May 5, 2016, April 7, 2016, March 15, 2016, February 9, 2016, and January 14, 2016 were rescheduled. The Hearing for this matter was held at the same time as the Hearing for the following 2 closely related matters concerning the same petitioner: FOP/170909; and, MOP/170912.

The issue for determination is whether it was correct to establish the following 3 Claims against petitioner for alleged overpayments of CC in the total amount of \$19,025.82 spanning the time period May 1, 2013 to January 31, 2014:

- (I) Claim Number [REDACTED]; May 1, 2013 to January 31, 2014; \$5,464.18;
- (II) Claim Number [REDACTED]; April 1, 2014 to March 31, 2015; \$11,234.24; and,
- (III) Claim Number [REDACTED]; April 1, 2015 to June 30, 2015; \$2,327.40.

There appeared at that time via telephone the following persons:

**PARTIES IN INTEREST:**

Petitioner:

[REDACTED]  
[REDACTED]  
[REDACTED]

Respondent:

Department of Health Services  
1 West Wilson Street, Room 651  
Madison, Wisconsin 53703

BY: [REDACTED] Fraud Investigator  
Dane County Department of Human Services  
1819 Aberg Avenue  
Suite D  
Madison, WI 53704-6343

ADMINISTRATIVE LAW JUDGE:  
 Sean P. Maloney  
 Division of Hearings and Appeals

### **FINDINGS OF FACT**

1. Petitioner (CARES # [REDACTED]; 23 years old) is a resident of Dane County, Wisconsin.
2. The County established the following 3 Claims against petitioner for alleged overpayments of CC in the total amount of \$19,025.82 spanning the time period May 1, 2013 to January 31, 2014:
  - (I) Claim Number [REDACTED]; May 1, 2013 to January 31, 2014; \$5,464.18;
  - (II) Claim Number [REDACTED]; April 1, 2014 to March 31, 2015; \$11,234.24; and,
  - (III) Claim Number [REDACTED]; April 1, 2015 to June 30, 2015; \$2,327.40.
 Exhibits A3 & A6.
3. The alleged MA overpayments in *Finding of Fact* #2, above, are based on the allegation that petitioner had income which was not budgeted in the CC calculations because it was not reported by petitioner. Exhibits B, E, #1, #2, #3, #4, #5, #6, #7, #8, #9 & #10.
4. The County did not perform a calculation to arrive at the amount of the CC overpayments; instead, “[d]ue to unavailable financial information a complete overpayment of all benefits received was assessed.” Exhibit A6.

### **DISCUSSION**

The County has presented convincing evidence that petitioner had substantial income (perhaps from illegal activity) during the time period in question that was not report. Exhibits B, #1, #2, #3, #4, #5, #6, #7, #8, #9 & #10. The County contends that a “total benefit recovery from 3/1/2012 to 8/31/2015” is justified because petitioner has not provided “full financial disclosure” (although petitioner has provided some financial information).<sup>1</sup> Exhibit #1. The County cites no authority for this other than an August 25, 2014 e-mail from the Wisconsin Department of Health Services [“DHS”] CARES Call Center. Exhibit F.

For an alleged CC overpayment, the amount of the overpayment must be determined. Wis. Stat. § 49.195(3) (2013-14); See also, Wis. Admin. Code §§ DCF 101.23(2)(a) (October 2015) & 201.04(5)(a)(1) (March 2016). This determination requires a detailed calculation. See, *Wisconsin Shares Child Care Subsidy Policy Manual* [“CC Manual”], 3.5.2 {*Child Care Overpayment Worksheet* (DCF-F-452-E)}; See also (in context of Food Stamp [“FS”] recovery), DHA Case No. FOP/162449 (Wis. Div. Hearings & Appeals Proposed Decision January 20, 2015; Final Decision April 30, 2015) (DHS); and, DHA Case No. FOP/162890 (Wis. Div. Hearings & Appeals Proposed Decision February 19, 2015; Final Decision April 30, 2015) (DHS). An e-mail from the DHS CARES Call Center cannot change this.

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<sup>1</sup> In a letter dated May 4, 2016 (on the 1st page; on other pages it is dated June 6, 2016) petitioner states: “[T]here may be a couple of times when I should’ve reported additional money for the most part I was within the guidelines and my income was within the guidelines of the benefit programs. Maybe there are a few months where I should pay back benefits, but not for every month and not for the sum of \$50,000.”

Nothing prevents the County from pursuing MA recovery premised upon a new Notice of Overpayment with a correct basis in law and fact for the claim.

### **CONCLUSIONS OF LAW**

For the reasons discussed above, the County may not, at this time, establish the 3 Claims against petitioner outlined in *Findings of Fact #2*, above, for alleged overpayments of CC in the total amount of \$19,025.82 spanning the time period May 1, 2013 to January 31, 2014.

### **NOW, THEREFORE, it is ORDERED**

That this matter be REMANDED to the County and that, within 10 days of the date of this *Decision*, the County not establish the 3 Claims against petitioner outlined in *Findings of Fact #2*, above, for alleged overpayments of CC in the total amount of \$19,025.82 spanning the time period May 1, 2013 to January 31, 2014 and send a letter to petitioner stating that it has done this.

### **REQUEST FOR A REHEARING**

You may request a rehearing if you think this decision is based on a serious mistake in the facts or the law or if you have found new evidence that would change the decision. Your request must be **received within 20 days after the date of this decision**. Late requests cannot be granted.

Send your request for rehearing in writing to the Division of Hearings and Appeals, 5005 University Avenue, Suite 201, Madison, WI 53705-5400 **and** to those identified in this decision as "PARTIES IN INTEREST." Your rehearing request must explain what mistake the Administrative Law Judge made and why it is important or you must describe your new evidence and explain why you did not have it at your first hearing. If your request does not explain these things, it will be denied.

The process for requesting a rehearing may be found at Wis. Stat. § 227.49. A copy of the statutes may be found online or at your local library or courthouse.

### **APPEAL TO COURT**

You may also appeal this decision to Circuit Court in the county where you live. Appeals must be filed with the Court **and** served either personally or by certified mail on the Secretary of the Department of Children and Families, 201 East Washington Avenue, Room G200, Madison, Wisconsin 53703, **and** on those identified in this decision as "PARTIES IN INTEREST" **no more than 30 days after the date of this decision** or 30 days after a denial of a timely rehearing (if you request one).

The process for Circuit Court Appeals may be found at Wis. Stat. §§ 227.52 and 227.53. A copy of the statutes may be found online or at your local library or courthouse.

Given under my hand at the City of Madison,  
Wisconsin, this 21st day of June, 2016

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\sSean P. Maloney  
Administrative Law Judge  
Division of Hearings and Appeals





**State of Wisconsin\DIVISION OF HEARINGS AND APPEALS**

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The preceding decision was sent to the following parties on June 21, 2016.

Dane County Department of Human Services  
Public Assistance Collection Unit  
Child Care Fraud